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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of

Implementation of the

Telecommunications Act of 1996:

Telecommunications Carriers' Use

Of Customer Proprietary Network

Information and Other Customer

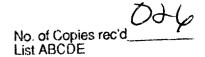
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REPLY COMMENTS OF SPRINT CORPORATION

Sprint Corporation ("Sprint") hereby respectfully submits its comments on the Commission's Further Notice of Proposed Rulemaking (FNPRM), FCC 98-27, released February 26, 1998, in the above-referenced proceeding.

In its Comments, Sprint has explained that a necessary step toward realization of Section 222 "goals of promoting competition and preserving customer privacy," FNPRM at ¶206, is a Commission declaration that a carrier cannot claim that customer information it receives from another carrier in the provision of a non-common carrier service is CPNI and it is entitled to use such information for marketing purposes upon approval of the customers involved. Such a declaration is needed since certain LECs had arrogated for their own marketing



use databases containing proprietary long distance customer information furnished it by Sprint and other IXCs under billing and collection agreements. Sprint noted that it was in litigation with Pacific Bell regarding such misappropriation.

See Sprint's Comments at 7-8 and fn. 8.

Sprint wishes to inform the Commission that Sprint and the other IXCs involved in the Pacific Bell lawsuit have been granted a permanent injunction preventing Pacific Bell from misappropriating their databases furnished under billing and collection agreements for Pacific Bell's own marketing use. But, the successful conclusion of the Pacific Bell litigation does not in any way lessen the need for Sprint's requested declaration or, for that matter, the establishment of a compliance program, as recommended by Sprint, to help ensure that carriers comply with their duty to under Section 222 to protect the confidentiality of carrier information obtained in the provision of services. See Sprint's Comments 6-7. As Sprint has explained, not only does the risk that the LECs will misappropriate competitively-sensitive data they obtain from IXCs in the provision of services exist today, but such risk will increase as the LECs enter the competitive interexchange market and seek to exploit whatever advantages they may have.

Certain LECs argue that there is no need for additional regulation in this area since Section 222 is self-enforcing;

carriers can protect themselves in contracts; and carriers can always seek redress from the Commission in a Section 208 complaint proceeding or from the courts for the misuse of their competitively-sensitive data. See Bell Atlantic at 3; GTE Comments at 6; BellSouth at 6; U S West at 4-6. But, as Sprint has demonstrated, Section 222 and Pacific Bell's contract with Sprint did not prevent Pacific Bell from at least attempting to misappropriate Sprint's competitively-sensitive databases.

Moreover, IXCs should not be required to rely exclusively upon the Commission's complaint process or court litigation to enforce the mandate of Section 222. By the time the FCC resolves a complaint or a court decides a particular lawsuit, significant competitive damage from the misappropriation of sensitive carrier information may have already occurred.

Respectfully submitted,

SPRINT CORPORATION

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April 14, 1998

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **Reply Comments of Sprint Corporation** was sent by hand or by United States first-class mail, postage prepaid, on this the $14^{\rm th}$ day of April, 1998 to the parties on the attached list.

Christine Jackson

April 14, 1998

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